

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:503
ANSWERED ON:18.11.2016
Ponzy Schemes
Somaiya Dr. Kirit

Will the Minister of FINANCE be pleased to state:

- (a) whether the High Level Inter Ministerial Group for identifying gaps in the existing regulatory framework for deposit taking activities has suggested measures to tackle various ponzy schemes;
- (b) if so, the details thereof;
- (c) whether any draft Bill has prepared to control unregistered Collective Investment Scheme (CIS) activities;
- (d) if so, the details thereof; and
- (e) the time by when the said Bill is likely to be finalized?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a) and (b): The Government had constituted an Inter-Ministerial Group (IMG) for identifying gaps in the existing regulatory framework for deposit-taking activities and to suggest administrative/ legislative measures, including formulation of a new law, to cover all relevant aspects of 'deposit-taking'. The IMG has finalized its Report and recommended a number of measures including enactment of new Central Act to curb illegal deposit taking activity.

(c) to (e): The draft Bill seeks to provide a comprehensive code to ban unregulated deposit schemes to protect the interest of depositors. A copy of the draft Bill has been placed on the website of the Department of Financial Services for wider consultation. It makes all deposit taking activity an offence unless otherwise permitted under the draft Bill.
